

CHAPTER IX - FINANCE AND TAXATION

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Section 9-1. Budget.

A. Form of Budget.

Not later than January 1, each Department, Office, Board or Commission of the Town, supported wholly or in part by Town funds, or for which a specific Town appropriation is made, except the Board of Education, shall prepare and submit to the First Selectman a detailed estimate of the expenditures to be made and the anticipated revenue other than tax revenue to be received during the ensuing fiscal year. The Board of Education shall submit its budget request by March 1. The First Selectman, after consultation with the Director of Finance and Board of Education or its agent, shall prescribe the format for budget presentation which shall include as a minimum comparative statistics for the current and preceding fiscal year operations.

B. Duties of the First Selectman on the Budget.

Not later than the fifteenth day of March, the First Selectman shall present to the Board of Finance and the Board of Selectmen an itemized annual operating budget, including the Board of Education budget, consisting of:

1. A budget message highlighting the important features of the budget plan, indicating any major changes from the current fiscal year in financial policies, expenditures and revenues, together with the reasons for such changes, and containing a general summary of its contents;

2. Revenue data, presenting in parallel columns, the itemized revenues collected in the last completed fiscal year, the current year budget estimate, estimated revenues to be collected during the current fiscal year and estimated revenues to be collected during the ensuing fiscal year;

3. Expenditure data, presenting in parallel columns, the actual itemized expenditures for each Department, Office, Board, Commission or Agency supported wholly or in part by Town funds, including the Board of Education, for the last completed fiscal year. The data is to include the original current budget allocations; the estimated expenditures to be incurred during the current fiscal year; the Department, Board, Commission requests; and the recommendations of the First Selectman as to the amounts to be appropriated for the ensuing fiscal year. The data shall include the following:

(i) Reasons for all appropriation recommendations and for the differences therein;

(ii) The estimated cost of debt service and the cash contribution to the capital nonrecurring expense fund to meet the needs of the recommendations for the next fiscal year;

(iii) Estimate of available surplus (or deficit) at the end of the current fiscal year.

4. Copies of the budgets of the Departments, Offices, Boards, Commissions and Agencies of the Town shall be made available to the Board of Finance at the same time as they are presented to the First Selectman.

C. Duties of the Board of Finance on the Budget. The Board of Finance shall hold one (1) or more public hearings not later than the first Monday of May at which time any elector or taxpayer may have an opportunity to be heard regarding appropriations for the ensuing fiscal year. Following receipt of the estimates from the First Selectman, the Board of Finance shall cause said estimates to be made available for review in the office of the Town Clerk. At least five (5) days before the aforementioned public hearing, the Board of Finance shall cause to be published in a newspaper having a substantial circulation in the Town a notice of such public hearing and a summary of said proposed budget estimates which show the amount to be raised by taxation. The Board of Finance shall have the authority to increase or decrease the budget submitted by the First Selectman. Within fifteen (15) days after holding the final such public hearing, the Board of Finance shall approve an operating budget and file the same with the Town Clerk for submission to the Annual Town Budget Meeting.

D. Adoption of Budget. There shall be a Town Meeting for the consideration of the Budget to be held no later than

the 3rd Monday in May and at such place and time as the Board of Selectmen may determine. Said Meeting may be recessed as necessary. The Budget adoption procedure shall be the following:

1. If the Budget has not been submitted or petitioned to a Referendum, the Budget as presented may be adopted by a majority vote of those present and voting thereon.

If the Budget is rejected, it shall be returned to the Board of Finance who shall reconsider the Budget and resubmit a Budget to the Recessed Town Meeting to be held not more than three (3) weeks after said rejection with at least five (5) days published notice thereof.

2. If the Budget has been submitted or petitioned to Referendum, the Budget may be accepted or rejected by a majority vote.

If the Budget is rejected, it shall be returned to the Board of Finance who shall reconsider the Budget and resubmit a Budget to the Recessed Town Meeting which shall be held within three (3) weeks after said rejection.

3. The same steps and procedures, including published notices of meetings, shall be followed as outlined above until a Budget has been adopted.

4. Any resubmitted Budget may be submitted or petitioned to a Referendum.

E. Approval of the Budget. Upon approval of the Budget by vote of the Town Meeting or Referendum, said Budget shall be deemed to constitute the appropriation to each Department, or sub-Department thereof and to each Office, Board, Agency and Commission of the Town.

F. Expenditures Before Adoption of the Budget. Expenditures prior to the final adoption of the Budget shall be in accordance with Section 7-405 of the General Statutes.

G. Levying of Taxes.

1. In the event a Budget has not been approved by June 15, the Board of Selectmen shall be empowered to set a mil rate in order to facilitate the preparation and mailing of tax bills at a level that in its best judgment will meet the needs of the Town for the ensuing year.

2. In the event a Budget has been adopted prior to June 15, the Board of Finance shall meet and set the mil rate at a level sufficient to meet the needs of the Town for the ensuing year.

Section 9-2. Capital Expenditures Budget.

A. Each Department, Office, Board, Commission or Agency of the Town, supported wholly or in part by Town funds, or for which a specific appropriation is made, including the Board of Education, shall submit proposals to be included in a Five (5) Year Capital Expenditure Plan.

B. The Capital Improvement Program Committee shall prescribe the exact format, manner and schedule for presentation of such proposals. The schedule shall allow sufficient time to establish priorities as to the Capital Expenditure Budget for the next fiscal year and for submission of the Capital Budget to the voters at the Annual Town Budget Meeting.

C. The Capital Improvement Program Committee shall assemble the Five (5) Year Plan, confirm all cost estimates, develop bonded indebtedness projects, and submit the Plan to the Board of Selectmen no later than 15th day of January.

D. The Board of Selectmen shall review the five (5) year plan and submit a list of recommendations to the Board of Finance not later than the 28th day of February.

E. The Board of Finance shall review the recommended Five (5) Year Plan with the Board of Selectmen, approve a one (1) year Capital Expenditure Budget and set the date for a public hearing to be held in conjunction with the Operating Budget.

F. After said public hearing, the Board of Finance shall adopt a Capital Expenditure Budget, recommend a maximum mil rate to be applied to debt service and capital improvement financing and shall submit the recommended single year Capital Improvement Program Expenditure Budget to the Annual Budget Meeting.

Section 9-3. Supplemental Appropriations.

The Board of Finance may, upon the request of the Board of Selectmen or upon the request of any appointed or elected Board, Commission or Agency, make supplemental appropriations subject to the following approval requirements:

- A. The approval limits are cumulative during the fiscal year.
- B. Any supplemental appropriation cumulatively not exceeding one-half of one percent (.5%) of the current Annual Budget may be approved by the Board of Finance.
- C. Any supplemental appropriation which causes said amount to cumulatively exceed one-half of one percent (.5%) of the current Annual Budget shall be submitted to a Special Town Meeting. The Town Meeting shall be held not later than thirty (30) days following the action of the Board of Finance.
- D. Any proposed supplemental appropriation shall include its proposed source of funding.

Section 9-4. Borrowing.

A. The Town shall have the power to incur indebtedness by issuing its bonds or notes, as provided by the General Statutes, subject to the limitations thereof. The issuance of bonds and notes shall be authorized by resolution of the Town Meeting, after first being submitted to the Board of Finance for its recommendation.

The warning for any Town Meeting at which action is proposed on any such bond or note authorization shall state whether or not such bond or note authorization has been recommended by the Board of Finance.

The amount or purpose of any such authorization must be described in the warning for the Town Meeting.

A negative recommendation of the Board of Finance may be overturned by a 2/3 vote of those attending and eligible to vote.

If any action is submitted or petitioned to a referendum at an adjourned Town Meeting, the ratio of votes required to approve shall accord with that required at the Town Meeting.

B. The First Selectman, or if absent either but not both of the other members of the Board of Selectmen, and any two (2) of the following shall execute all instruments required for borrowing: Town Treasurer, Director of Finance and Director of Administrative Services.

Section 9-5. Public Emergency Expenditures.

For the purposes of meeting a public emergency threatening the lives, health or property of citizens, emergency expenditures, the total of which shall not exceed one (1) percent of the current tax levy in any one (1) fiscal year, may be made upon the recommendation of the First Selectman and by a majority vote of the Board of Selectmen. In the absence of sufficient general fund resources to meet such appropriation, additional means of financing shall be provided in such manner as is consistent with the General Statutes.

Section 9-6. Expenditures.

A. The Director of Finance shall record the amount of authorized purchases and contracts for future purchases as encumbrances against the appropriation from which they are to be paid.

B. No voucher, claim or charge against the Town shall be paid until the same has been reviewed by the Director of Finance or designee of the Director of Finance and approved for correctness and validity. Payment of all approved claims shall be authorized by the Director of Finance, except in the case of the Board of Education, where payment shall be authorized by the Board of Education or its agent. In the absence or inability to act of the Director of Finance or designee of the Director of Finance, a member of the Board of Selectmen shall be authorized by said Board of Selectmen to substitute temporarily for the Director.

- C. All payroll checks shall be signed by the Town Treasurer or Deputy Town Treasurer and all accounts payable checks by the Town Treasurer or Deputy Town Treasurer and countersigned by the First Selectman or, if absent, by another member of the Board of Selectmen.
- D. The First Selectman shall prescribe the time and manner in which persons receiving money on account of the Town shall pay the same to the Director of Finance.
- E. The several Departments, Commissions, Agencies, Offices and Boards of the Town, including the Board of Education, shall not involve the Town in any obligation to spend money for any purpose in excess of the amount appropriated.
- F. Upon request transmitted by the First Selectman, but only within the last six (6) months of the fiscal year, the Board of Finance may, by resolution, transfer any unencumbered appropriation balance or portion, thereof, from one Department, Commission, Agency, Board or Office line item to another, with the exception of the Board of Education, which shall have the power to make its own transfers provided that such transfers are reported to the Board of Finance when so made. The departments so affected shall be notified of such transfers. No transfer shall be made from any debt service account and any funds therein shall not be used for any other purpose.
- G. Appropriations for construction of permanent improvements and appropriation in the Capital Nonrecurring Expense Fund, from whatever source derived, shall not lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned, provided that such project shall be deemed to have been abandoned if thirty-six (36) months shall elapse from the date of the approval thereof, without any expenditure from or encumbrance of the appropriation thereof.
- H. Any portion of an annual appropriation remaining unexpended and unencumbered at the close of the year shall lapse.
- I. If any officer or employee of the Town shall knowingly incur any obligation or make any expenditure in violation of the Charter or take any part therein, such action shall be cause for their removal, except in payment of final judgments rendered against the Town.

Section 9-7. Purchasing.

- A. The Director of Finance or designee shall review all contracts for and purchases of supplies, materials, equipment and other commodities and services required by any Department, Office, Board, Agency or Commission of the Town, excluding the Board of Education, on requisitions signed by the head of the Department, Office, Agency, or by an appointed responsible representative.
- B. All requisitions for expenditures over an amount set annually by the Board of Finance shall required sealed bids, except in the case of licensed professionals such as, but not limited to, architects, lawyers, engineers, landscapers, and others, where bidding shall not be required but rather that services and fees shall be negotiated. Bid requests made under this section shall be published at least ten (10) days prior to the opening of said bids in a newspaper having a substantial circulation in the Town. Said sealed bids shall be opened and read aloud at a place, date and time specified in the bid notice. Said bid requests shall state that the First Selectman or his agent or the Superintendent of Schools, or his agent as applicable to educational supplies, equipment or materials, may reject any and all bids, if in their judgment, it is in the best interests of the Town to do so. If the lowest bid meets all specifications and is not accepted, the matter shall revert to the Board of Finance for its decision, or to the Board of Education as the case may be.
- C. Bulk items such as salt, sand, fuel, and other similar items which are delivered at intervals shall be bid based on the need for an entire fiscal year or an extended period of time, as the case may be.
- D. All contracts and purchase orders exceeding five-thousand dollars (\$5,000) shall be signed by the First Selectman and the Director of Finance, except for the Board of Education.
- E. All contracts and purchase orders for the Board of Education shall be signed by the Superintendent of Schools or his agent.
- F. Whenever it is deemed to be in the best interest of the Town, the Board of Finance may waive the provisions of this Section pertaining to bid requirements.

Section 9-8. Tax Bills.

The Tax Collector shall mail to each taxpayer, where applicable and in accordance with the provisions of the General Statutes, all real or other property tax bills.

Section 9-9. Fiscal Year.

The fiscal year of the Town shall begin on July 1st and end on June 30th of the following calendar year.

Section 9-10. Annual Audit.

The Board of Finance shall annually designate an independent Certified Public Accountant or firm of independent Certified Public Accountants to audit the books and accounts of the Town, in accordance with the provisions of Chapter One Hundred Eleven (111) of the General Statutes.